Non-Payment of Salaries of State Government's Employees

1438. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is fact that some State Governments are not paying salaries to their employees, including Board and Corporation employees;

(b) if so, the details of State Governments which are not paying salaries for the past three years, State-wise; and

(c) what are the details of the steps the Central Government propose to take to improve and regulate the financial health of the State governments in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL):(a) and (b) Payments of salaries to State Government employees, fall within the purview of the respective State Governments and is to be met out of the Conslidated Fund of the State. Details of State Governments not paying salaries are not Centrally maintained.

(c) The primary responsibility for addressing the problem of unsustainable levels of fiscal deficit rests with the State Governments. However, Government of India, in pursuance of the recommendation of the Eleventh Finance Commission has created a State Fiscal Reforms Facility (2000-01 to 2004-05). State have been invited to draw their Medium Term Fiscal Reforms programme aimed at improving revenue deficit/surplus and attaining sustainable fiscal deficit In the medium term. Besides, Government of India have also put fonward a proposal for debts swap to enable States to retire high cost debt to facilitate the process of fiscal consolidation.

Increase in Salary of Chairman of SBI

1439. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether All India State Banl< of India Officers Association has at its executive meetings demanded that the salary of Chairman of the State Bank of India should be increased so that it is brought at par with the salaries of his counterparts in other banks particularly of foreign banks; and

(b) if so, what is Government's response in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHR! ANANDRAO VITHOBA ADSUL): (a) State Bank of India has reported that they have not received any demand made by the All India State Bank of India Officers' Association to raise the salary of the Chairman of the bank.

(b) Does not arise.

Bogus Plantation Companies

1440. SHRI R PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a number of agricultural plantation companies have come up in the country collecting huge funds from the small investors promising most lucrative returns to the investors;

(b) if so, the total number of such companies which are registered with Government and their total deposits as on date;

(c) whether Government are aware that most of these companies are bogus and their post dated cheques have bounced; and

(d) if so, what institutional arrangements have beeri put in place to help the depositors in distress to recover their dues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) The Securities and Exchange Board of India (SEBI) regulates collective investment schemes in terms of the SEBI (Collective Investment Schemes) Regulations, 1999. In terms of these regulations, no person other than a Collective Investment Management Company which has obtained a certificate of registration under the Regulations, can carry on or sponsor or launch a Collective Investment Scheme (CIS). Also, no existing CIS can launch any new scheme or raise money from the investors even under the existing schemes, unless a certificate of registration is granted to it under the said Regulations.

SEBI has intimated that no entity running collective investment schemes in registered with them. However, as on 6th August, 2002,